October 23: 1986

Lt. Col. John M. Abbott Chief Environmental Law Headquarters Air Force Systems Command/JAM Andrews Air Force Base, Maryland 20334-5000

Re General Dynamics Corporation Air Force Plant No. 19 Docket No. TSCA-09-86-0036

Dear Colonel Abbott:

This letter is a follow-up on our telephone conversation this morning regarding the subject administrative enforcement action. Enclosed is a copy of the Complaint and Notice of Opportunity for Hearing (Complaint) filed on May 7, 1986, charging the operator of Air Force Plant No. 19 in sixteen counts with the violation of Section 15 of the Toxics Substances Control Act (TSCA), as amended and the implementing regulations pertaining to disposal, record keeping, marking and storage of PCBs. For the violations as charged a penalty of eighty thousand dollars in the aggregate is proposed. The administrative hearing requested by General Dynamics in their Answer to the Complaint is scheduled to be heard December 3, 1986, in San Diego.

You will recall that during our conversation this morning it was mentioned that the Region is desirous of resolving this matter in an extra-judicial manner. Our Respondent has displayed little or no enthusiasm for settlement.

Enclosed is a copy of our proposed Consent Agreement and Final Order and the accompanying letter of transmittal dated October 21, 1986, addressed to Ward W. Waddell, Jr., Assistant General Counsel and the only representative of General Dynamics with whom we have communicated to date. Our normal procedures is to invite respondents who indicate an interest in settlement to our offices where discussion, and aggreement, either actual or in principle, is attempted and more often achieved. Mr. Waddell was made aware of our normal procedures, was invited to come to San Francisco to discuss a settlement with us, but refused.

OR 5 T-5 Social VAILO 1070/100 1473/86 We feel certain that our proposed Consent Agreement and Final Order is legally sound and equitable. The proposed penalty has been substantially reduced based mainly on the fact that the PCB Transformers which gave rise to the action are to be removed and placed in storage for disposal at the facility. We have made no provision for the plant owner to execute the Agreement; however, we would be favorably disposed to do such if requested. Finally, we welcome your involvement in the matter and any assistance you care to give in helping to bring about a prompt settlement of this case without using the Agency's administrative machinery.

Sincerely yours,

David M. Jones Assistant Regional Counsel

cc: Richard E. Vaille, Acting Chief Pesticides and Toxics Branch

> William D. Wick, Associate Regional Counsel